



GERALD R. GOAD
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF CARROLL

FOR THE PERIOD
APRIL 1, 2019 THROUGH MARCH 31, 2020

Auditor of Public Accounts
Martha S. Mavredes, CPA
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(804) 225-3350



COMMENTS TO MANAGEMENT

We noted the following matter involving internal control and its operation that has led or could lead to the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability.

Properly Bill and Collect Court Costs

Repeat: No

The Clerk and his staff did not properly bill and collect court costs. In 36 cases tested, we noted the following errors.

- Defendants were not charged court costs of \$4,954 in six cases.
- For one case, the defendant was overcharged \$150 in court costs.

The Clerk and his staff should correct the specific cases noted above and should establish a system of review to minimize the likelihood of billing errors going undetected. In all cases, the Clerk should bill and collect court costs in accordance with Code of Virginia.

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Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

May 6, 2020

The Honorable Gerald R. Goad
Clerk of the Circuit Court
County of Carroll

Joe Neil Webb, Board Chairman
County of Carroll

Audit Period: April 1, 2019 through March 31, 2020
Court System: County of Carroll

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of this locality for the period noted above. Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies.

Management's Responsibility

Court management has responsibility for establishing and maintaining internal controls and complying with applicable laws and regulations. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Deficiencies in internal controls could possibly lead to the loss of revenues or assets, or otherwise compromise fiscal accountability.

We noted a matter involving internal control and its operation necessary to bring to management's attention. The matter is discussed in the section titled Comments to Management. Any response and written corrective action plan to remediate this matter provided by the Clerk are included as an enclosure to this report.

We discussed these comments with the Clerk and we acknowledge the cooperation extended to us by the Clerk and his staff during this engagement.

Martha S. Mavredes
AUDITOR OF PUBLIC ACCOUNTS

MSM:vks

cc: The Honorable Marcus H. Long, Jr., Chief Judge
R. Cellell Dalton, County Administrator
Robyn M. de Socio, Executive Secretary
Compensation Board
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia



CARROLL COUNTY CIRCUIT COURT

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GERALD R. GOAD - CLERK

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Mrs. Martha Mavredes, CPA
Auditor of Public Accounts
P.O. Box 1295
Richmond, VA 23218-1295

RE: Audit Period April 1, 2019 through March 31, 2020

Dear Mrs. Mavredes,

This letter serves as an official corrective action plan and my recommendations/requests after results of our annual audit covering the time period of April 1st, 2019 through March 31st, 2020. I first would like to begin thanking the auditor for his diligent work and assistance in enforcing quality checks and balances with our judicial system and within our local constitutional office. The auditor expressed significant improvements and quality work accomplished among the past four years of my term.

I would like to address the matter discussed involving internal control and its operation that could have led to the loss of revenue to the Commonwealth expressed by the auditor:

1. Defendants were not charged court costs of \$4,954 in six cases – There were three cases in which psychological evaluations were ordered by the Court for the defendants charged. Since I have served as Clerk as well as our accounting technician being employed by Carroll County Circuit Court, we have always assessed fines and costs that involve DC-40 timesheets based on the Chart of Allowances issued by the Supreme Court of Virginia. The Chart of Allowances can be accessed here:
<http://www.courts.state.va.us/courtadmin/aoc/fiscal/chart.pdf>.
If you look at page 11 of the document, it explains compensation of experts pursuant to 19.2-175. In this particular code section, it does not state that the defendants convicted after a court ordered psychological evaluations had to actually pay for the evaluations. In all three of these particular cases the defendants currently have not paid their costs in full and these charges were added immediately after the auditor's exceptions were presented during the time of the audit. Amended costs notices were immediately and successfully mailed to each defendant. None of the defendants had even paid their costs in full during the time of the audit as well as current.

The other three cases related to the defendants not being billed court appointed attorney fees were due to the fact that at several times, the DC-40 timesheets get turned in way after the costs have been assessed. I as Clerk, have sent out notices to all court-appointed attorneys and have made a diligent effort on the significant importance of turning in timesheets in a timely manner in order to efficiently and accurately assess a defendant's costs. I will point out that the three cases in which errors were found, each defendant has yet to make a payment of his or her fines and costs and again, their accounts were corrected immediately after the auditor brought them to our attention. Amended costs notices were also immediately and successfully mailed. Our court has also began the process of accepting DC-40 timesheets electronically in order to offset the delay of the paper timesheets being turned in.

2. For one case, the defendant was overcharged \$150 in court costs – This was a complete human error on both the accounting technician as well as my part as Clerk. Again, this particular case, the defendant has yet to make a single payment on her fines and costs, her account was immediately corrected once brought to our attention by the auditor, and the amended cost notice was successfully mailed.

As Clerk of the Circuit Court of the County of Carroll, I have made and enforced significant improvements regarding the financial duties and responsibilities of our office that has reflected in previous audit reports that shows no matters involving internal control and is operation necessary to bring to management's attention. I take it upon myself to properly review and sign off on every criminal case cost assessment sheet in which our office created ourselves internally and utilize once costs are properly billed and assessed by the accounting technician – therefore creating a two person review process on criminal fines and costs. Our court has the second highest number in criminal caseload among the 27th Judicial Circuit in the Commonwealth and our workload in criminal alone is demanding. Of the seven cases listed as detailed exceptions by the auditor, none of the defendants has currently even made a single payment on their fines and costs and their accounts were corrected immediately once brought to our attention. In the future as a corrective action plan, we will increase our diligent efforts in making sure DC-40s and all lists of allowances are properly billed to defendants.

I respectfully ask that this management point be made verbal instead of written based on the fact that the seven cases in which errors were reported were in fact corrected immediately and that none of the defendants with these particular cases have even made their first payment.

We tremendously appreciate the work and efforts by the auditor in order to strictly enforce successful checks and balances for our office, and we look forward to always working with you.

Sincerely,



Gerald R. Goad, Clerk
Carroll County Circuit Court